

OFFICE OF THE SECRETARY OF DEFENSE

PUBLIC-PRIVATE PARTNERSHIPS
FOR
DEPOT-LEVEL MAINTENANCE



JULY 2001

Prepared for the
Deputy Under Secretary of Defense (Logistics and Material Readiness)
by
The Joint Group on Depot Maintenance

Executive Summary

This report reviews public-private partnerships to support depot-level maintenance requirements of the Department of Defense (DoD) weapon systems and equipment. This report reviews projects that were active during the period of time that this report was being prepared for publication, November 2000 to June 2001.

Because of the continuing interest concerning partnering, this report also updates our September 19, 1999 report entitled, "Public-Private Partnerships for Depot-Level Maintenance," which documented the extent of partnering in depot maintenance that was ongoing within the Department at that time.

Partnering between the public and private sectors for accomplishment of depot-level maintenance is now a firmly established mechanism used by the Military Services at their depot-level maintenance activities (DMAs) primarily to improve capacity utilization and reduce the cost of depot-level operations. Of the DoD's 19 most significant DMAs, 16 are actively pursuing public-private partnerships (now operating or recently concluded). Public-private partnerships take several forms including public-private teaming, workshare arrangements, sales of articles or services to the private sector, and leasing of DoD facilities or equipment by the private sector. Some partnerships have been established by contract under statutory authority, and some are workshare arrangements using Memorandums of Understanding (MOUs) or similar agreements. Regardless of the mechanisms, the partnering authorities for the Military Departments are in place and are being exercised to a greater extent than ever before.

SECTION I

In the accomplishment of depot-level maintenance, the Department of Defense (DoD) must rely on an extensive industrial enterprise for support. Depot-level maintenance and repair entails repair, rebuilding, and major overhaul of weapon systems (e.g., ships, tanks, and aircraft), parts, assemblies, and subassemblies. It also includes limited manufacture of parts, technical support, modifications, testing, and reclamation as well as software maintenance. Each Military Service owns and operates an organic depot-level maintenance infrastructure, although a large amount of the workload is performed through interservice agreements. The Department estimates that about \$16.3 billion¹ will be expended in Fiscal Year (FY) 2001 for organic and contract depot-level maintenance, using 67,424² DoD civilian and military personnel as well as over a thousand private-sector firms. An estimated \$8.4 billion³ of the \$16.3 billion will be expended at the DoD's organic depot-level maintenance activities (DMAs).

One mechanism that exists to maintain the viability of the depot maintenance industrial enterprise is partnering arrangements between the public and private sector elements of the industrial base. This report brings into perspective the present extent of these arrangements.

This section of the report provides a general description and a summary-level analysis of the Department's existing public-private partnering arrangements for depot-level maintenance. This report reviews only projects that were active during the period of time that this report was being prepared for publication, November 2000 to June 2001. The public-private partnering arrangements reviewed in this report are for the performance of, or related to, depot-level maintenance and repair within each Service and their respective depots or shipyards. This report on depot-level public-private partnering is based on reporting by the Services on partnerships in response to the data call for the Joint Group on Depot Maintenance (JG-DM) FY2001 - FY2007 Depot Maintenance Business Profile (DMBP).

This report does not analyze the value of the partnering arrangement. This is due to the wide variation of "values" that were reported. In some cases the value was based on the value to the DMA, in other cases based on the total value of a contract, and in other cases, no value was reported or an in-kind consideration was received. The value of the partnering arrangement is noted in the descriptive portions of the partnering arrangements in Section II.

Public-private partnerships take many forms. They range from public-private teaming and workshare arrangements to leases of DoD facilities or equipment by the private sector. In a teaming arrangement, the public and private partners accomplish DoD work jointly through a contractual relationship. Some partnerships have been established by contract under statutory authority, and some are workshare arrangements using Memorandums of Agreement (MOAs) or similar agreements. In a workshare arrangement (a non-contractual relationship between partners), each partner works separately to accomplish a portion of a workload package. Typically the program office or command will arrange for accomplishment of a portion of the

¹ *Distribution of DoD Depot Maintenance Workloads, Fiscal Years 2001 Through 2005*, Deputy Under Secretary of Defense (Logistics and Material Readiness), April 1, 2001.

² *Draft FY01 - FY07 Joint Group on Depot Maintenance Depot Maintenance Business Profile*, June 2001.

³ *Distribution of DoD Depot Maintenance Workloads, Fiscal Years 2001 Through 2005*, Deputy Under Secretary of Defense (Logistics and Material Readiness), April 1, 2001.

workload in the public sector through work orders and in the private sector by a contract. The performing entities make arrangements with each other to ensure completion and because of that, no statutory authority is required. In a workshare arrangement, each partner contributes technical, facility, or equipment capabilities to increase efficiency through the complementary use of resources.

For purposes of this report, the definition of a partnering arrangement is:

An arrangement between public and private sector entities, based on appropriate statutory and regulatory authority or a Memorandum of Agreement, for one or more of the following:

- (1) use of public depot maintenance activities and employees to provide articles and/or services to the private sector;*
- (2) private sector use of public depot maintenance activities' equipment and/or facilities to perform work for either the public or private sector;*
- (3) worksharing arrangements, using both public depot maintenance activity(ies) and private sector facilities and/or employees; and*
- (4) teaming arrangements whereby a public depot maintenance activity and a private entity enter into a contractual relationships with the DoD in order to accomplish the tasks specified in the contract.*

Partnering arrangements typically cite one or more authorities, or are initiated with workshare arrangements. The Services have used a number of authorities to establish these public-private partnerships. A detailed review of these authorities is provided in Appendix A of this report. Table 1 synthesizes the principal statutory, regulatory and public law authorities for partnering.

Table 1. Principal Authorities Cited for Public-Private Partnerships

Authority	Description
10 USC 2208(j)	Permits working capital funds (i.e., depots) to sell articles or services outside the DoD if the purchaser is fulfilling a DoD contract and the contract is awarded pursuant to a public-private competition.
10 USC 2469a	Requires competitive procedures in contracting for depot level maintenance and repair workloads formerly performed at depot maintenance activities identified for base closure or realignment. It also authorizes competition among public and private sector offerers and public-private teaming in regard to those workloads.

Table 1. Principal Authorities Cited for Public-Private Partnerships (cont.)

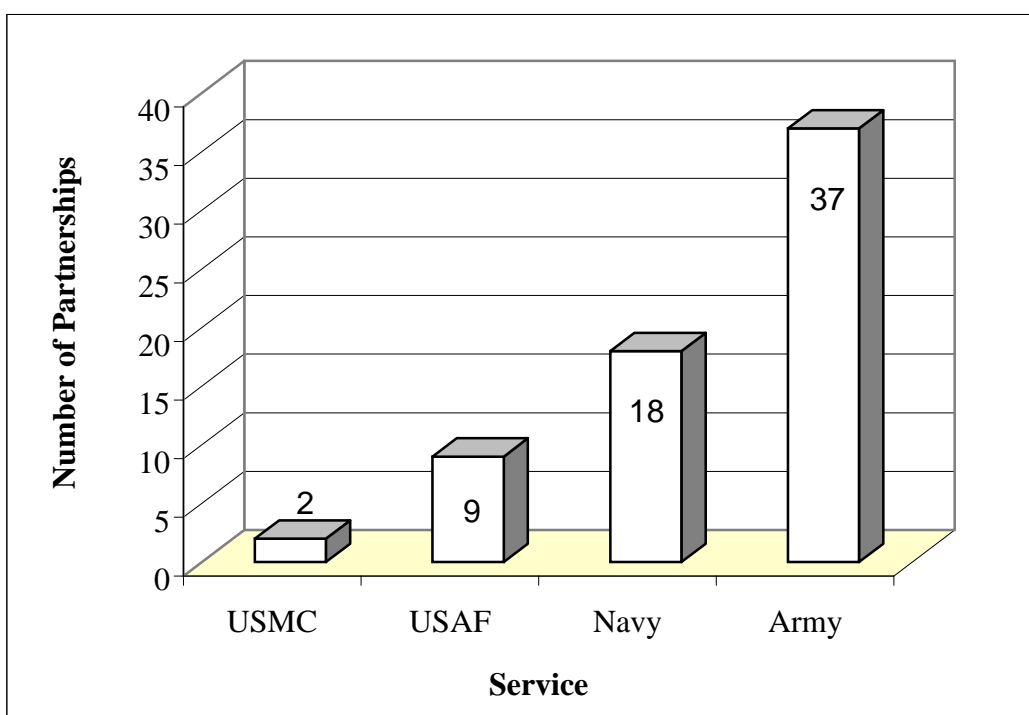
Authority	Description
10 USC 2471	The authorities of 10 USC 2471 are now incorporated in 10 USC 2474. This authority allowed the secretary of a military department, under certain conditions, to lease excess depot equipment and facilities to a person outside the DoD.
10 USC 2474	Allows for establishing Centers of Industrial and Technical Excellence (CITEs) at existing depots and permitting receipts from public-private “partnerships” to be credited to depots’ accounts. Under this authority, Service Secretaries are to enable CITEs, and allows heads of CITEs to enter into public-private cooperative arrangements.
10 USC 2563 (Formerly 10 USC 2553)	Permits the SECDEF to designate DoD industrial facilities, other than Army facilities governed by 10 USC 4543, to sell articles or Services outside the DoD under conditions similar to those set forth in 10 USC 4543.
10 USC 2667	This authority allows leasing of non-excess equipment and facilities of a DoD activity to a person outside DoD.
10 USC 4543	Authorizes Army industrial facilities to sell articles or services outside the DoD for specified purposes and under certain conditions.
10 USC 7300	Authorizes sale by a naval shipyard of articles or services to a private shipyard made at the request of the private shipyard in order to facilitate the private shipyard's fulfillment of a DoD contract with respect to a nuclear ship. The conditions set forth in section 10 USC 2208(j)(1)(B), 10 USC 2563(a)(1) and 10 USC 2563 (c)(1)(A) shall not apply. This section does, however, place boundaries on what a shipyard may do.
22 USC 2754	This authority allows defense articles and defense services to be sold or leased by the United States Government under chapter 39 of 22 USC to friendly countries and with certain conditions.
FAR, Subpart 45.3	Establishes the conditions and limitations for providing equipment, material and facilities to a contractor or subcontractor.
Public Law 103-337	In 1994, the Secretary of Defense (SECDEF) was directed to encourage commercial firms to enter into “partnerships” with depots.

The arrangements reported are as inclusive and expansive as possible to showcase what is possible, advocate partnering, and demonstrate the Services’ use of authorities. It is important to note that the Services have differing interpretations of what constitutes a partnering agreement. Types of agreements that are viewed differently by the Services include worksharing, facilities use agreements, and arrangements that provide government non-depot maintenance services to on-site contractors performing depot maintenance. The partnering definition used in this report encompasses all varying Service interpretations. The summary-level analysis is limited to those arrangements reported, and must be considered only in that

context. The intent is not to compare the quantity or quality of partnering arrangements from Service to Service, but only to characterize what has been reported.

Of the 66 projects noted in Section II of this report 37 are Army, 18 are Navy, 9 are Air Force and 2 are Marine Corps. Figure 1 shows the 2001 Public-Private partnerships by Service. In comparison to the 1999 report, there were 54 implemented partnering agreements at that time; 34 Army, 10 Navy, 8 Air Force and 2 Marine Corps. Although several of the projects reported in 1999 have been completed and other partnering agreements have begun, what is important is the continuing level of the use of partnering and the increased amount of partnering agreements by the Navy.

Figure 1. 2001 Public-Private Partnerships by Service.



Of the 16 DMAs involved in partnering, Anniston Army Depot accounts for over 24 percent of the reported partnering arrangements. Figure 2 shows the amount of 2001 partnerships by DMA. Two NAVAIR partnering arrangements involve multiple depots.

Figure 2. 2001 Public-Private Partnerships by DMA

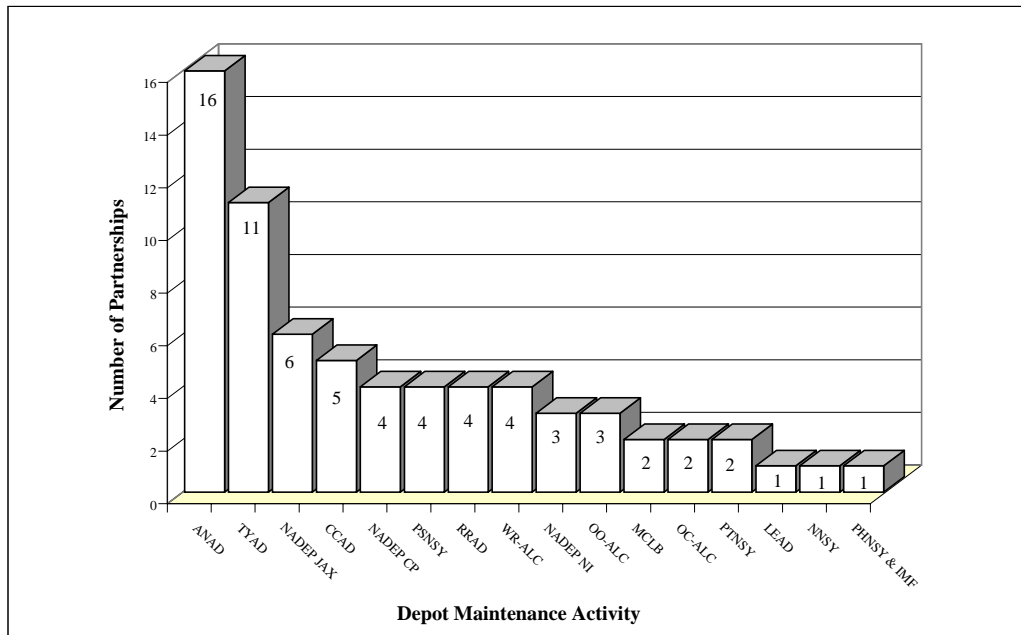
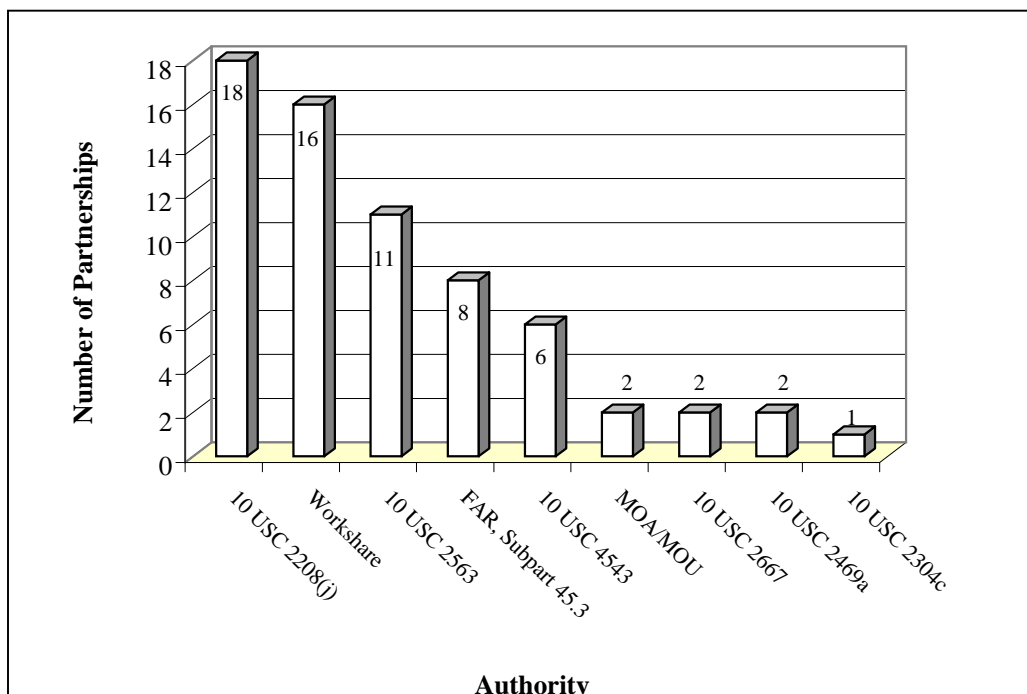


Figure 3 shows the 2001 public-private partnerships by authority used to establish the partnering arrangement. Most partnerships have been established under statutory authority, although many are workshare arrangements established in a non-statutory authority manner with an MOA or similar agreement.

Figure 3. 2001 Public-Private Partnerships by Authority



In this report, partnering projects were categorized into six types:

- Sale of Articles
- Sale of Services
- Leases
- Workshare
- Teaming
- Government Furnished Resources

Figure 4 shows the amount of partnering by type.

Figure 4. 2001 Public-Private Partnerships by Type

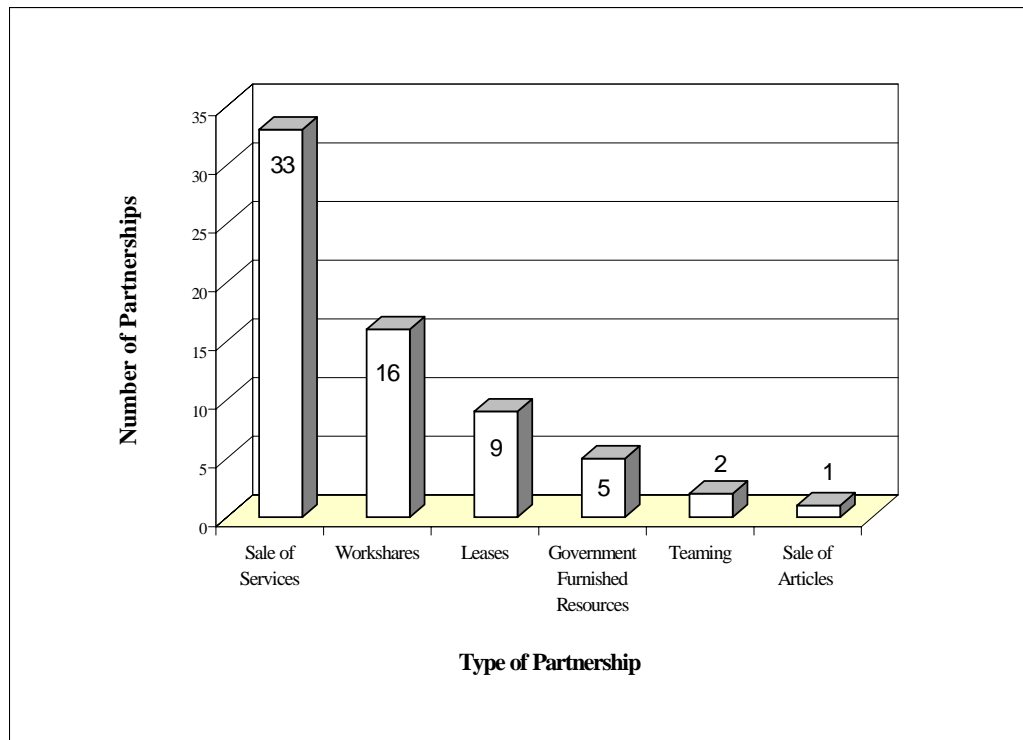


Table 2 identifies the 66 partnerships that were reported. Table 2, organized by Service, shows the project number assigned to the partnering arrangement, the project title of the partnering agreement name, the DMA involved and the type of partnering arrangement. The type of arrangements are abbreviated as: Sale of Articles = SOA, Sale of Services = SOS, Lease = L, Workshare = W, Teaming = T, and Government Furnished Resources = GFR. Refer to Section II for details of the partnering arrangement.

Table 2. 2001 Partnering Agreements by Service, DMA and Type

Army			
Project Number	Title	DMA	Type
2001- A-1	Fox Vehicle Upgrade - Services	ANAD	SOS
2001- A-2	Fox Vehicle Upgrade – Facility Use	ANAD	L
2001- A-3	Fox Vehicle Maintenance – Facility Use	ANAD	L
2001- A-5	M113 Grit Blasting	ANAD	SOS
2001- A-6	Gunners Primary Sight (GPS)	ANAD	L
2001- A-7	M113 Test Track	ANAD	SOS
2001- A-8	M1 / M1A2 Upgrade	ANAD	W
2001- A-10	Base Operations / Base Logistics GDLS	ANAD	SOS
2001- A-12	Recuperator - Facility Use	ANAD	L
2001- A-14	Base Operations / Base Logistics Honeywell	ANAD	SOS
2001- A-17	M113 Family of Vehicles (FOV) Overhaul and Conversion - 1	ANAD	W
2001- A-19	Abrams Integrated Management (AIM) XXI	ANAD	W
2001- A-25	Partnership for Reduced Operation and Support Cost Engine (PROSE)	ANAD	L
2001- A-29	Firefinder Block II Program	TYAD	SOS
2001- A-31	Rapid Response to Critical System Requirements (R ² CSR) - ARINC, Inc.	TYAD	SOS
2001- A-32	Rapid Response to Critical System Requirements (R ² CSR) - Lear Siegler	TYAD	SOS
2001- A-33	Rapid Response to Critical System Requirements (R ² CSR) - Lockheed Martin	TYAD	SOS
2001- A-38	CECOM Field Support Services	TYAD	SOS
2001- A-39	Navy Tri-Service	TYAD	SOS
2001- A-40	M113 Family of Vehicles (FOV) Overhaul and Conversion - 2	ANAD	SOS
2001- A-41	Improved Ribbon Bridge (IRB) Manufacturing	ANAD	SOA
2001- A-42	M915A4 Glider Program	RRAD	SOS
2001- A-43	Multiple Launch Rocket System (MLRS) M270A1	RRAD	W
2001- A-44	Heavy Expanded Mobility Tactical Truck (HEMTT)	RRAD	W
2001- A-46	Bradley Fire Support Team (BFIST) Vehicle	RRAD	W
2001- A-47	AN/PRC-112 Modernization	TYAD	SOS
2001- A-48	Weapon Systems Omnibus - 1	TYAD	SOS
2001- A-49	Weapon Systems Omnibus - 2	TYAD	SOS
2001- A-50	Field Support Services	TYAD	SOS
2001- A-51	Area Common User System (ACUS) Program	TYAD	SOS
2001- A-52	H-60 Overhaul and Repair of Airframe and Structural Components	CCAD	W
2001- A-53	T700 Engine Overhaul and Repair	CCAD	W
2001- A-54	T55 / T53 Engines Overhaul and Repair Activities	CCAD	W
2001- A-55	RT 875 Container Crane (CC) Pilot Project	LEAD	SOS
2001- A-56	Recuperator – Packaging and Material Movement	ANAD	SOS
2001- A-57	AH-64 Apache and CH-47 Chinook Overhaul and Repair of Airframe Structures and Components	CCAD	W
2001- A-58	AH-64 Apache, CH-47 Chinook, and UH-60 Hydraulic, Pneumatic and Fuel Component Overhaul and Repair	CCAD	W

Table 2. 2001 Partnering Agreements by Service, DMA and Type (cont.)

Project Number	Title	DMA	Type
Navy (NAVAIR)			
2001- NA-1	AV-8B Remanufacture Program	CP	W
2001- NA-2	F-14 AN/AWG-9 Fire Control Radar Repair	JAX	SOS
2001- NA-3	F-14, EA-6B, AH-1, and F-22 Component Services Support	JAX	SOS
2001- NA-4	J52 Engine	JAX	SOS
2001- NA-5	F/A-18 A-D Cockpit Displays	NI & JAX	SOS
2001- NA-6	PP-2581A/A Power Supply	JAX	SOS
2001- NA-7	F/A-18 E/F Components	NI, JAX & CP	SOS
2001- NA-8	SR61/AS61 Westland Blade Balancing	CP	SOS
2001- NA-9	Auxiliary Power Unit/Direct Vendor Delivery (APU/DVD) for F/A-18, P-3, S-3, and C-2	CP	SOS
2001- NA-10	LM2500 Marine Gas Turbine Engines	NI	SOS
Navy (NAVSEA)			
2001- NS-1	High Performance Electrical Brush Program	PTNSY	SOS
2001- NS-2	Lease of Portsmouth Naval Shipyard Prison	PTNSY	L
2001- NS-3	<i>SS Independence</i> Drydocking	PHNSY & IMF	L
2001- NS-4	CVN Maintenance Services/Maintenance Operations (MS /MO)	PSNSY	GFR
2001- NS-5	Puget Sound and Pacific (PS&P) Railway Contract	PSNSY	GFR
2001- NS-6	<i>USS Enterprise</i> (CVN-65)	NNSY	GFR
2001- NS-7	<i>USS John Stennis</i> (CVN-74)	PSNSY	SOS
2001- NS-8	Aircraft Carrier Program	PSNSY	SOS
Marine Corps			
2001- MC-1	AAV Reliability, Availability and Maintainability / Rebuild to Standard	MCLB	W
2001- MC-2	Facilities Use Agreement	MCLB	L
Air Force			
2001- AF-5	Low Altitude Navigation and Targeting Infrared for Night (LANTIRN) Phase I	WR-ALC	L
2001- AF-6	C-130 Integrated Weapon System Support Program (IWSSP)	WR-ALC	GFR
2001- AF-7	SM-ALC Competition for KC-135 Programmed Depot Maintenance (PDM) and A-10 Aircraft PDM and Commodities	OO-ALC	T
2001- AF-8	Propulsion Business Area (PBA)	OC-ALC	T
2001- AF-9	B-2 Composite Manufacture and Repairs	OO-ALC	W
2001- AF-10	B-2 Defensive Management System Tools Program Set (DMSTPS)	OC-ALC	W
2001- AF-17	C-17 Analytical Condition Inspection (ACI)	WR-ALC	SOS
2001- AF-19	Common Configuration Implementation Program (CCIP), Air-to-air Interrogator System, F-16 Block 50/52 Aircraft	OO-ALC	W
2001- AF-20	Joint Surveillance Target Attack Radar System (JSTARS) Total Systems Support Responsibility (TSSR) Partnership	WR-ALC	GFR

SECTION II

This section provides additional information about each depot-level maintenance public-private partnership arrangement. For each arrangement, the following 11 elements of information are provided:

- *Project Number:* A unique alpha-numeric for this report to identify the partnering arrangement. All arrangements are predicated with the year of this report, 2001. When possible the project number from the September 1999 Partnering Report was retained. Projects that were unreported or are new since the September, 1999 Partnering Report were assigned numbers sequential to the last number and project (including both implemented and planned projects) in the 1999 report for each Service. For this report, Navy partnering arrangements were assigned reference numbers to identify to the Navy SYSCOMs. The reference numbers' alpha character(s) reflects the following:

A	=	Army
NA	=	Naval Air Systems Command
NS	=	Naval Sea Systems Command
AF	=	Air Force
MC	=	Marine Corps

- *Project:* Provides the brief descriptive name of the partnering arrangement.
- *Command or SYSCOM:* Provides the major command or Naval Systems Command involved in the partnering arrangement. See the list of acronyms and abbreviations at Appendix B.
- *DMA(s):* Identifies the depot maintenance activity (or activities) involved in the partnering arrangement. See the list of acronyms and abbreviations at Appendix B.
- *Private Entity:* Identifies the name of the private sector company involved in the arrangement.
- *Partnership Type:* Identifies the type of partnership, one of the following:
 - Sale of Articles
 - Sale of Services
 - Lease
 - Workshare
 - Teaming
 - Government Furnished Resources.
- *Authority:* Notes the authority used to establish the partnering arrangement as reported by the applicable Service.
- *Value:* Shows the value of the partnering arrangement as reported by the applicable Service.

- *Period of Performance:* Shows the start date and the end date of the partnering arrangement as reported by the applicable Service.
- *Description of Partnership:* Depicts the role of the parties in the partnering arrangement and other details as reported by the applicable Service.
- *Project No. From 1999 Report:* When possible the project number from the 1999 report is noted. N/A indicates that there is no cross-reference to the 1999 report (i.e., a new or unreported project since the 1999 report.)

Army

2001- A-1

Project: Fox Vehicle Upgrade - Services			
Command	DMA(s)	Private Entity	Partnership Type
ANAD Contract Based on Approval from TACOM	ANAD	General Dynamics Land Systems (GDLS)	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 4543	\$ 4.3 M (Dollars to date)	Start Date: FY97	End Date: Ongoing
Description of Partnership: ANAD provides asbestos removal, hull structure upgrade, NBC tail upgrade, final paint, material receipt, storage and issue. GDLS provides assets for the upgrade.			
Project No. From 1999 Report: A-1			

2001- A-2

Project: Fox Vehicle Upgrade – Facility Use			
Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	GDLS	Lease
Authority:	Value:	Period of Performance:	
FAR Subpart 45.3	\$ 552 K (Dollars to date)	Start Date: FY97	End Date: Ongoing
Description of Partnership: ANAD provides through an Inter-service Support Agreement with TACOM, 27,787 square feet of space to GDLS for the Fox Upgrade Facility. This arrangement is coupled with project A-1 above.			
Project No. From 1999 Report: A-2			

2001- A-3

Project: Fox Vehicle Maintenance - Facility Use			
Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	GDLS	Lease
Authority:	Value:	Period of Performance:	
FAR Subpart 45.3	\$ 134 K (Dollars to date)	Start Date: FY97	End Date: Ongoing
Description of Partnership: ANAD provides through an Inter-service Support Agreement with TACOM, 20,000 square feet of space to GDLS for the manufacture of Fox field maintenance parts. This arrangement is coupled with a contract between TACOM and GDLS for Fox Vehicle maintenance.			
Project No. From 1999 Report: A-3			

2001- A-5**Project:** M113 Grit Blasting

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	UDLP	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 151 K (Dollars to date)	Start Date: FY97	End Date: Ongoing

Description of Partnership:

ANAD provides grit blasting of the M113 hulls. ANAD has a contract based on approval from TACOM.

Project No. From 1999 Report: A-5**2001- A-6****Project:** Gunners Primary Sight (GPS)

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	GDLS	Lease
Authority:	Value:	Period of Performance:	
FAR Subpart 45.3	\$ 296 K (Dollars to date)	Start Date: FY96	End Date: Ongoing

Description of Partnership:

ANAD provides through an Inter-service Support Agreement with TACOM, 17,000 square feet of space to GDLS for the manufacture of new GPS.

Project No. From 1999 Report: A-6**2001- A-7****Project:** M113-Test Track

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	UDLP	Sales of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 233 K (Dollars to date)	Start Date: FY97	End Date: Ongoing

Description of Partnership:

ANAD provides use of ANAD test track and adjacent facility. ANAD has a contract based on approval from TACOM.

Project No. From 1999 Report: A-7

2001- A-8

Project: M1 / M1A2 Upgrade			
Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	General Dynamics Land Systems (GDLS), Lima Army Tank Plant, OH	Workshare
Authority:	Value:	Period of Performance:	
Non-Statutory Workshare	\$ 168 M (Dollars to date)	Start Date: FY94	End Date: Ongoing
Description of Partnership: ANAD provides disassembly, hull upgrade, turret demil, overhaul of subassemblies & components, and shipment to Lima, OH.			
Project No. From 1999 Report: A-8			

2001- A-10

Project: Base Operations / Base Logistics GDLS			
Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	GDLS	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 4543	\$ 58 K (Dollars to date)	Start Date: FY98	End Date: Ongoing
Description of Partnership: ANAD provides non-forecast / non-routine services. These services would include, as an example, ANAD personnel repairing a forklift on site rather than having GDLS arrange for commercial support. ANAD has a contract based on approval from TACOM.			
Project No. From 1999 Report: A-10			

2001- A-12

Project: Recuperator – Facility Use			
Command	DMA(s)	Private Entity	Partnership Type
ANAD Contract Based on Approval from TACOM	ANAD	Honeywell	Lease
Authority:	Value:	Period of Performance:	
10 USC 4543	\$ 599 K (Dollars to date)	Start Date: FY98	End Date: Ongoing
Description of Partnership: ANAD provides 30,000 square feet to Honeywell for the Recuperator Core Facility.			
Project No. From 1999 Report: A-12			

2001- A-14**Project:** Base Operations / Base Logistics Honeywell

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	Honeywell	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 4543	\$ 58 K (Dollars to date)	Start Date: FY98	End Date: Ongoing

Description of Partnership:

ANAD provides non-forecast / non-routine services. These services would include as an example, ANAD personnel repairing a forklift on site rather than having Honeywell arrange for commercial support. ANAD has a contract based on approval from TACOM.

Project No. From 1999 Report: A-14**2001- A-17****Project:** M113 Family of Vehicles (FOV) Overhaul & Conversion - 1

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	United Defense Limited Partnership (UDLP), Anniston, AL	Workshare
Authority:	Value:	Period of Performance:	
Non-Statutory Workshare	\$ 4 M (Dollars to date)	Start Date: FY96	End Date: Ongoing

Description of Partnership:

ANAD provides disassembly, hull structure work, overhauls subassemblies and components, kitting, and shipment to UDLP Anniston, AL.

Project No. From 1999 Report: A-17**2001- A-19****Project:** Abrams Integrated Management (AIM) XXI

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	General Dynamics Land Systems (GDLS), Lima Army Tank Plant, OH	Workshare
Authority:	Value:	Period of Performance:	
Non-Statutory Workshare	\$ 43.3 M (Dollars to date)	Start Date: FY96	End Date: Ongoing

Description of Partnership:

ANAD provides disassembly, hull structure work, overhaul subassemblies and components, kitting and shipment to GDLS, Lima, OH.

Project No. From 1999 Report: A-19

2001- A-25**Project:** Partnership for Reduced Operation and Support Cost Engine (PROSE)

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	Honeywell	Lease
Authority:	Value:	Period of Performance:	
FAR Subpart 45.3	\$ 15 K (Dollars to date)	Start Date: FY98	End Date: Ongoing

Description of Partnership:

ANAD provides through an Inter-service Support Agreement with TACOM, 5,000 square feet of space to Honeywell for the AGT 1500 gas turbine engine Repair Parts Kitting Facility. This partnering arrangement is coupled with an arrangement between the Program Manager and Honeywell wherein ANAD builds the engines and Honeywell provides the items and recuperator plates. Honeywell stores assets in the Kitting Facility.

Project No. From 1999 Report: A-25**2001- A-29****Project:** Firefinder Block II Program

Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	Raytheon Inc.	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 836 K	Start Date: Jan 99	End Date: Dec 01

Description of Partnership:

TYAD accomplishes design, fabrication and integration of prime power group and vehicle communications.

Project No. From 1999 Report: A-29**2001- A-31****Project:** Rapid Response to Critical System Requirements (R²CSR) - ARINC, Inc.

Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	ARINC, Inc.	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 0	Start Date: Oct 98	End Date: Oct 03

Description of Partnership:

The arrangement is in place, but has not been exercised. TYAD would accomplish engineering, fabrication, and installation services. All work is put out on a task order basis. To date, TYAD has not yet performed any specific tasks under this partnership and has no-bid on these task orders, as they do not fall into the categories TYAD provided in estimates.

Project No. From 1999 Report: A-31

2001- A-32**Project:** Rapid Response to Critical System Requirements (R²CSR) - Lear Siegler

Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	Lear Siegler	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 0	Start Date: Oct 98	End Date: Oct 03

Description of Partnership:

The arrangement is in place, but has not been exercised. TYAD would accomplish engineering, fabrication, and installation services. All work is put out on a task order basis. To date, TYAD has not yet performed any specific tasks under this partnership and has no-bid on these task orders, as they do not fall into the categories TYAD provided in estimates.

Project No. From 1999 Report: A-32**2001- A-33****Project:** Rapid Response to Critical System Requirements (R²CSR) - Lockheed Martin

Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	Lockheed Martin	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 2.6 K	Start Date: Oct 98	End Date: Oct 03

Description of Partnership:

TYAD accomplishes engineering, fabrication, and installation services. All work is put out on a task order basis.

Project No. From 1999 Report: A-33

2001- A-38

Project: CECOM Field Support Services			
Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	Engineering Professional Services, Inc. (EPS)	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 0	Start Date: Feb 99	End Date: Jan 06
Description of Partnership: The arrangement is in place, but has not been exercised. When used, TYAD is to provide for non-personal contractual field support for the CECOM Logistics and Readiness Center (LRC) which includes services, personnel, facilities, and material for new equipment training, total package fielding, contract field support representatives, regional support/electronic sustainment centers and counter-narcotics/counter-terrorism program support. All work is put out on a task order basis. To date, TYAD has not yet performed any specific tasks under this partnership and has no-bid on these task orders, as they do not fall into the categories TYAD provided in estimates.			
Project No. From 1999 Report: A-38			

2001- A-39

Project: Navy Tri-Service			
Command	DMA(s)	Private Entity	Partnership Type
SPAWAR	TYAD	ARINC, Inc.	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 0	Start Date: Jun 99	End Date: Jun 03
Description of Partnership: The arrangement is in place, but has not been exercised. When used, TYAD is to provide for engineering and logistics capabilities to accomplish overhaul support requirements needed to sustain aging weapon systems. All work is put out on a task order basis. ARINC is under a Navy contract. To date, TYAD has not yet performed any specific tasks under this partnership and has no-bid on these task orders, as they do not fall into the categories TYAD provided in estimates.			
Project No. From 1999 Report: A-39			

2001- A-40**Project:** M113 Family of Vehicles Overhaul and Conversion - 2

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	UDLP	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 2.3 M (Dollars to date)	Start Date: FY98	End Date: Ongoing
Description of Partnership: ANAD provides disassembly, grit blast of the hull structure, and overhaul of components. ANAD has a contract based on approval from TACOM.			
Project No. From 1999 Report: A-40			

2001- A-41**Project:** Improved Ribbon Bridge (IRB) Manufacturing

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	EWK Eisenwerke Kaiserlauten	Sale of Articles
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 72 M (Dollars to date)	Start Date: FY01	End Date: FY06
Description of Partnership: ANAD provides manufacture of 211 interior bays and 82 ramp bays in support of EWK for the IRB. This is a direct sale to EWK. ANAD has a contract based on approval from TACOM.			
Project No. From 1999 Report: N/A			

2001- A-42**Project:** M915A4 Glider Program

Command	DMA(s)	Private Entity	Partnership Type
TACOM	RRAD	Lear Siegler Incorporated (LSI)	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 316 K (Dollars to date)	Start Date: Mar 01	End Date: Dec 01
Description of Partnership: This is a Focus Sustainment Contract awarded to LSI for a level of repair on the M915A4 Glider Program. RRAD will support LSI as a subcontractor by testing, qualifying and painting the engine, as well as cleaning and painting the bogie. Working with industry, the Army adopted a commercial process known as glider kits. The glider kits provide a cost-effective means of upgrading, on a one-for-one basis, an old truck into a newer configuration that will serve the Army for another 20 years. The truck's original engine and rear axle bogies are salvaged and then installed in a new production cab and chassis assembly.			
Project No. From 1999 Report: N/A			

2001- A-43

Project: Multiple Launch Rocket System (MLRS) M270A1			
Command	DMA(s)	Private Entity	Partnership Type
TACOM	RRAD	Lockheed Martin, Missile and Fire Control Group	Workshare
Authority:	Value:	Period of Performance:	
Non-Statutory Workshare with MOU	\$ 693.5 K (Value of contract)	Start Date: Jun 00	End Date: Sep 03
Description of Partnership: RRAD is overhauling the M270A1 vehicle and shipping it to Lockheed Martin for integration of upgrades. MOU is Command-Directed, PM-managed.			
Project No. From 1999 Report: N/A			

2001- A-44

Project: Heavy Expanded Mobility Tactical Truck (HEMTT)			
Command	DMA(s)	Private Entity	Partnership Type
TACOM	RRAD	Oshkosh Truck Corporation (OTC)	Workshare
Authority:	Value:	Period of Performance:	
Non-Statutory Workshare with MOA	\$ 7.5 M (Value of contract)	Start Date: Jan 01	End Date: Sep 01
Description of Partnership: This is a "50-50" split between RRAD and OTC. Each party will overhaul complete vehicles. MOA is PM-managed.			
Project No. From 1999 Report: N/A			

2001- A-46

Project: Bradley Fire Support Team (BFIST) Vehicle			
Command	DMA(s)	Private Entity	Partnership Type
TACOM	RRAD	United Defense Limited Partnership – York, PA	Workshare
Authority:	Value:	Period of Performance:	
Non-Statutory Workshare with MOA	\$ 17.4 M (Value of contract)	Start Date: Mar 01	End Date: Dec 01
Description of Partnership: RRAD produces and overhauls to a scope of work the A2 Operation Desert Storm (ODS) configuration of the Bradley Fighting Vehicle Systems. The vehicle is then provided or shipped to UDLP for BFIST Integration. MOA is PM-managed.			
Project No. From 1999 Report: N/A			

2001- A-47

Project: AN/PRC-112 Modernization			
Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	Engineering Professional Services, Inc. (EPS)	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 1 M	Start Date: Oct 00	End Date: Oct 09
Description of Partnership: TYAD will assemble and provide warranty repair of the AN/PRC-112D radios.			
Project No. From 1999 Report: N/A			

2001- A-48

Project: Weapons Systems Omnibus - 1			
Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	Blackhawk Management	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 0	Start Date: Oct 98	End Date: Oct 03
Description of Partnership: TYAD would accomplish engineering, fabrication, and installation services. All work is put out on a task order basis. To date, TYAD has not yet performed any specific tasks under this partnership and has no-bid on these task orders, as they do not fall into the categories TYAD provided in estimates.			
Project No. From 1999 Report: N/A			

2001- A-49

Project: Weapons Systems Omnibus - 2			
Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	Information Systems Support, Inc.	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 0	Start Date: Oct 98	End Date: Oct 03
Description of Partnership: TYAD would accomplish engineering, fabrication, and installation services. All work is put out on a task order basis. To date, TYAD has not yet performed any specific tasks under this partnership and has no-bid on these task orders, as they do not fall into the categories TYAD provided in estimates.			
Project No. From 1999 Report: N/A			

2001- A-50

Project: Field Support Services			
Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	Logistics Engineering and Environmental Support Services, Inc.	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 0	Start Date: Oct 98	End Date: Oct 03
Description of Partnership: TYAD would accomplish field support services. All work is put out on a task order basis. To date, TYAD has not yet performed any specific tasks under this partnership and has no-bid on these task orders, as they do not fall into the categories TYAD provided in estimates.			
Project No. From 1999 Report: N/A			

2001- A-51

Project: Area Common User System (ACUS) Program			
Command	DMA(s)	Private Entity	Partnership Type
CECOM	TYAD	British Aerospace Equipment, Inc.	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$ 1.5 M	Start Date: Sep 98	End Date: Sep 07
Description of Partnership: TYAD accomplishes fabrication of radio mounting kits.			
Project No. From 1999 Report: N/A			

2001- A-52

Project: H-60 Overhaul and Repair of Airframe and Structural Components			
Command	DMA(s)	Private Entity	Partnership Type
AMCOM	CCAD	Sikorsky Aircraft Corporation (SAC)	Workshare
Authority:	Value:	Period of Performance:	
MOU	\$ Not Finalized	Start Date: Jan 00	End Date: Ongoing
Description of Partnership: Sikorsky Aircraft provides technical, engineering, and logistical services and supplies, supporting CCAD's overhaul and repair of H-60 line and component processes. In order to enhance CCAD's ability to support future H-60 modernization efforts, SAC and CCAD are partnering to improve total repair turnaround time, to increase CCAD throughput and improve reliability of H-60 components. Within this MOU, SAC has conducted supplier qualification audits of CCAD's capabilities and processes. SAC has identified the bearing reclamation and plating process facilities as high potential sources for support of Sikorsky's commercial and government programs. These programs include, and are not limited to, the US Navy Performance Based Logistics, Sikorsky overhaul and repair efforts, and the exchange of operational and usage data for enhancing component and system reliabilities.			
Project No. From 1999 Report: N/A			

2001- A-53**Project:** T700 Engine Overhaul and Repair

Command	DMA(s)	Private Entity	Partnership Type
AMCOM	CCAD	General Electric	Workshare
Authority:	Value:	Period of Performance:	
MOU	\$ 40.5 M	Start Date: Feb 00	End Date: Ongoing

Description of Partnership:

GE provides technical, engineering, and logistical services and supplies in support of all CCAD overhaul and repair activities for the entire T700 family of turbine engines; specifically the T700-GE-700, 701, 701C, 401, and 401C engines. This includes the provision of kitted, AMCOM-approved contractor parts to support CCAD's production process.

Project No. From 1999 Report: N/A**2001- A-54****Project:** T55/T53 Engines Overhaul and Repair Activities

Command	DMA(s)	Private Entity	Partnership Type
AMCOM	CCAD	Honeywell	Workshare
Authority:	Value:	Period of Performance:	
MOU	\$ Not Finalized	Start Date: Aug 00	End Date: Ongoing

Description of Partnership:

Honeywell will provide technical, engineering, and logistical services and supplies in support of CCAD's overhaul and repair activities for the entire T55/T53 families of turbine engines and components.

Project No. From 1999 Report: N/A**2001- A-55****Project:** RT 875 Container Crane (CC) Pilot Project

Command	DMA(s)	Private Entity	Partnership Type
AMCOM	LEAD	Grove Worldwide	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 4543	\$ 19.2 K	Start Date: Jan 01	End Date: May 01

Description of Partnership:

Letterkenny Army Depot (LEAD) will provide engineering and technical services on site at the Grove Worldwide facility to develop and finalize procedures for a Crane Service Life Extension Program (SLEP). Specifically, the effort will involve documenting processes defining the procedures to be utilized in the SLEP of two pilot RT875 Container Crane vehicles that have been selected as prototypes for such a program. Grove personnel will devise and perform the task, and will be available as necessary to clarify those tasks and procedures for the Letterkenny personnel to document.

Project No. From 1999 Report: N/A

2001 - A-56**Project:** Recuperator - Packaging and Material Movement

Command	DMA(s)	Private Entity	Partnership Type
TACOM	ANAD	Honeywell	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 4543	\$ 353 K (Dollars to date)	Start Date: FY98	End Date: Ongoing

Description of Partnership:

ANAD provides packaging and material movement. ANAD has a contract based on approval from TACOM.

Project No. From 1999 Report: N/A**2001 - A-57****Project:** AH-64 Apache and CH-47 Chinook Overhaul and Repair of Airframe Structures and Components

Command	DMA(s)	Private Entity	Partnership Type
AMCOM	CCAD	The Boeing Company	Workshare
Authority:	Value:	Period of Performance:	
MOU	\$ Not Finalized	Start Date: Sep 00	End Date: Ongoing

Description of Partnership:

The Boeing Company will provide technical, engineering, and logistical services and supplies to CCAD production efforts, supporting CCAD's overhaul and repair of the Apache and Chinook line and component processes. This MOU is undertaken to explore all avenues, both public and commercial practices, to increase the capacity utilization of both CCAD and Boeing, increase readiness and reliability of the Apache and Chinook, and reduce operation and supportability costs for both aircraft systems.

Project No. From 1999 Report: N/A**2001 - A - 58****Project:** AH-64 Apache, CH-47 Chinook, and UH-60 Hydraulic, Pneumatic and Fuel Component Overhaul and Repair

Command	DMA(s)	Private Entity	Partnership Type
AMCOM	CCAD	Parker Hannifin	Workshare
Authority:	Value:	Period of Performance:	
MOU	\$ Not Finalized	Start Date: Jun 01	End Date: Ongoing

Description of Partnership:

Parker Hannifin and CCAD are aligning efforts to detail work requirements and support activities that each provides to the overhaul and repair of hydraulic, pneumatic and fuel control systems of all three aircraft. All opportunities are being explored within this MOU to improve turn times, reduce costs and support overall US Army helicopter program requirements.

Project No. From 1999 Report: N/A

Navy
NAVAIR

2001- NA-1

Project: AV-8B Remanufacture Program			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP Cherry Point	Boeing	Workshare
Authority:	Value:	Period of Performance:	
Non-Statutory Workshare	\$ 65 M (Value of contract)	Start Date: Jun 94	End Date: Aug 02
Description of Partnership: The Government performs disassembly and reuses components. Boeing provides integration of government furnished equipment (GFE) into aircraft.			
Project No. From 1999 Report: N-1			

2001- NA-2

Project: F-14 AN/AWG-9 Fire Control Radar Repair			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP Jacksonville	Systems Electronics, Inc. (SEI)	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563	\$ 10 K (Value of contract)	Start Date: Feb 99	End Date: Feb 03
Description of Partnership: The Government performs depot-level repairs. SEI develops test sets.			
Project No. From 1999 Report: N-2			

2001- NA-3

Project: F-14, EA-6B, AH-1, and F-22 Component Support Services			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP Jacksonville	Neptune Tech. Services Incorporated	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563	\$ 55 K (Value of contract)	Start Date: Dec 00	End Date: Oct 01
Description of Partnership: The Government is to provide support services for RF antenna and radome testing, autoclave processing, precision machining/fabricating, and coordinate measuring machine inspection. Neptune provides assets.			
Project No. From 1999 Report: N/A			

2001- NA-4

Project: J52 Engine			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP Jacksonville	General Electric Engine Services (GEES)	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563	\$ 149.6 K (Value of contract)	Start Date: Sep 00	End Date: May 01
Description of Partnership: The Government repairs / overhauls J52 turbine engines. GEES provides assets.			
Project No. From 1999 Report: N/A			

2001- NA-5

Project: F/A-18 A-D Cockpit Displays			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP North Island (lead depot) and NADEP Jacksonville	Kaiser Electronics	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563	\$ 13 M (Value of contract)	Start Date: Oct 01	End Date: Oct 06
Description of Partnership: The Government performs depot-level maintenance. Kaiser Electronics provides engineering, logistics, and above Core maintenance.			
Project No. From 1999 Report: N/A			

2001- NA-6

Project: PP-2581A/A Power Supply			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP Jacksonville	Associated Aircraft Manufacturing and Sales, Inc. (AAMSI)	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563	\$ 15 K (Value of contract)	Start Date: Jul 00	End Date: Jul 01
Description of Partnership: The Government will initiate repair of power supply. AAMSI will manufacture / provide item.			
Project No. From 1999 Report: N/A			

2001- NA-7

Project: F/A-18 E/F Components			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR and NAVICP	NADEP North Island (lead depot), NADEP Jacksonville and NADEP Cherry Point	Boeing, St. Louis	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563	\$ 50 M (Value of contract)	Start Date: Mar 01	End Date: Mar 06
Description of Partnership: This partnering arrangement supports the performance-based logistics (PBL) contract for support of the F/A-18 E/F aircraft. Depot maintenance and repair will be performed by a combination of organic and commercial repair sources. Under a Commercial Service Agreement (CSA) between each NADEP and Boeing, the Government depots will repair assets. Boeing is the OEM and will provide assets. The term of each CSA is tied to the life of the prime contract between NAVICP and Boeing.			
Project No. From 1999 Report: N/A			

2001- NA-8

Project: SR61/AS61 Westland Blade Balancing			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP Cherry Point	Aviation Blade Service	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563 with MOA	\$ 26 K (Value of contract)	Start Date: May 99	End Date: Sep 01
Description of Partnership: The Government will dynamically balance blades. Aviation Blade Services will provide assets.			
Project No. From 1999 Report: N-13			

2001- NA-9

Project: Auxiliary Power Unit/Direct Vendor Delivery (APU/DVD) for F/A-18, P-3, S-3, and C-2			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP Cherry Point	Honeywell	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563 with MOA	\$ 200 M (Value of contract)	Start Date: Jun 01	End Date: Jun 10
Description of Partnership: The Government provides maintenance and field teams support. Honeywell provides parts, asset management, and configuration management.			
Project No. From 1999 Report: N-15			

2001- NA-10

Project: LM2500 Marine Gas Turbine Engines			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVAIR	NADEP, North Island	Standard Aero, Winnipeg, Manitoba, Canada	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563 with MOA	\$ 650 K per engine	Start Date: Currently in negotiations	End Date: TBD
Description of Partnership: The Government is to provide depot-level repair and overhaul for the LM2500 in support of NAVSEA. Standard Aero is providing the commercial logistics work. NADEP North Island will sell services to Standard Aero. The value amount is for the first engine. A potential for more work does exist.			
Project No. From 1999 Report: N/A			

NAVSEA

2001- NS-1

Project: High Performance Electrical Brush Program

SYSKOM	DMA(s)	Private Entity	Partnership Type
NAVSEA	Portsmouth Naval Shipyard	Noesis, Inc.	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563 with MOA	\$ 680 K	Start Date: May 00	End Date: Sep 04

Description of Partnership:

Noesis, Inc., under a NAVSEA contract, is developing high performance electrical brush technology to improve the operating and maintenance characteristics of electric motors. Noesis has a need for engineering and technical support, as well as electrical and minor machining work, from a facility with the capability and experience of modifying and testing Navy 500kw motor generator sets, as well as other size motors and generators. Portsmouth Naval Shipyard has extensive expertise in this area and a direct need to develop and implement high performance brush technology for the Navy.

Project No. From 1999 Report: N/A

2001- NS-2

Project: Lease of Portsmouth Naval Shipyard Prison

SYSKOM	DMA(s)	Private Entity	Partnership Type
NAVSEA	Portsmouth Naval Shipyard	Seavey Island L.L.C.	Lease
Authority:	Value:	Period of Performance:	
10 USC 2667	\$ 125 K per year	Start Date: Jun 99	End Date: Jun 14

Description of Partnership:

Lease of former naval prison. The lessee shall reimburse the Government for the cost of utilities and services, including the cost expended by the Government for the maintenance, repair, and administration of utility systems. Lessee shall expend a minimum of \$50,000 per year for normal protection and maintenance of the leased facility, in addition to the annual consideration (\$125,000). Government may approve the use of the consideration (\$125,000/year) to fund long-term maintenance projects.

Project No. From 1999 Report: N-20

2001- NS-3

Project: <i>SS INDEPENDENCE</i> Drydocking			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVSEA and NAVFAC	Pearl Harbor Naval Shipyard & IMF	American Classic Voyages Company (American Hawaii Cruises)	Lease
Authority:	Value:	Period of Performance:	
10 USC 2667	\$ 61 K	Start Date: Mar 01	End Date: Mar 01
Description of Partnership: PHNSY & IMF allowed, as requested and based on availability of drydock space, American Classic Voyages Company the use of Drydock (DD) #4 for docking and performing repairs for the <i>SS INDEPENDENCE</i> , a private cruise liner. American Classic Voyages Company provided services-in-kind rental payment for the use of DD#4. For the right to use the leased property, the lessee performs certain in-kind maintenance, repairs, and improvements to the facilities and equipment of the leased property.			
Project No. From 1999 Report: N/A			

2001- NS-4

Project: CVN Maintenance Services/Maintenance Operations (MS/MO)			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVSEA	Puget Sound Naval Shipyard	Todd Pacific Shipyard Corp	Government Furnished Resources
Authority:	Value:	Period of Performance:	
Agreement between PSNSY and SUPSHIP PS	\$N/A	Start Date: Jan 99	End Date: Option for 5 years
Description of Partnership: As part of a 5 year Multi-Year/Multi-Ship contract between SUPSHIP Puget Sound and Todd, Puget Sound Naval Shipyard agreed to provide Todd with the following (for availabilities conducted at Puget Sound Naval Shipyard): office space, laydown areas, warehouse storage, paint stowage, and temporary services.			
Project No. From 1999 Report: N/A			

2001- NS-5**Project:** Puget Sound and Pacific Railway (PS&P) Railway Contract

SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVSEA	Puget Sound Naval Shipyard	Puget Sound and Pacific Railway, (PS&P)	Government Furnished Resources
Authority:	Value:	Period of Performance:	
10 USC 2304(c)	\$ N/A	Start Date: 1942	End Date: Ongoing

Description of Partnership:

The US Navy owns 37 miles of railway between Bremerton and Shelton, WA. The uninterrupted service provided by this rail link is important to PSNSY and Subase Bangor. PS&P is allowed to use the railway for commercial hauling in exchange for doing normal maintenance to the rails and roadbed. The Navy provides funding for major maintenance or capital improvements. The Navy pays a separate fee for transportation of railcar loads.

Project No. From 1999 Report: N/A**2001- NS-6****Project:** USS ENTERPRISE (CVN-65) FY02 Extended Drydock Selected Restricted Availability (EDSRA)

SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVSEA	Norfolk Naval Shipyard	Newport News Shipbuilding (NNS)	Government Furnished Resources
Authority:	Value:	Period of Performance:	
MOA	\$ NA	Start Date: Oct 01	End Date: Feb 03

Description of Partnership:

By a Memorandum of Agreement (MOA) between NNSY and Newport News Shipbuilding (NNS) dated 23 December 1998, a cooperative arrangement was established between the parties to improve resource and infrastructure sharing and efficiencies. NNSY is providing Drydock #8 and vicinity, Building 274, a laydown area adjacent to Building 510, and Berths 42/43 and vicinity to NNS in support of CVN-65 FY02 EDSRA. The facilities are being provided as government furnished equipment (GFE).

Project No. From 1999 Report: N/A

2001- NS-7

Project: <i>USS John Stennis (CVN-74)</i>			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVSEA	Puget Sound Naval Shipyard	Newport News Shipbuilding	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$458 K	Start Date: Sep 00	End Date: Jun 01
Description of Partnership: The Puget Sound Naval Shipyard will provide propulsion plant related work for various alterations scheduled for this availability			
Project No. From 1999 Report: N/A			

2001- NS-8

Project: Aircraft Carrier Program			
SYSCOM	DMA(s)	Private Entity	Partnership Type
NAVSEA	Puget Sound Naval Shipyard	Newport News Shipbuilding	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2208(j)	\$30 K	Start Date: Oct 00	End Date: Jan 01
Description of Partnership: The Puget Sound Naval Shipyard will perform testing on four test plates in accordance the MIL-STD-2149A.			
Project No. From 1999 Report: N/A			

Marine Corps

2001- MC-1

Project: Amphibious Assault Vehicle (Reliability, Availability and Maintainability / Rebuild to Standard) (AAV RAM/RS)			
Command	DMA(s)	Private Entity	Partnership Type
MARCORSSYSCOM	Marine Corps Logistics Bases Albany	United Defense Limited Partnership (UDLP)	Workshare
Authority:	Value:	Period of Performance:	
Non-Statutory Workshare	\$ 99.2 M	Start Date: Jul 98	End Date: Jul 03
Description of Partnership: MCLB disassembles vehicles and provides bare hulls to UDLP, who then modifies hulls to accommodate a new suspension system. Hulls are then sent back to MCLB where the rebuild process is completed. UDLP also provides various supports services, miscellaneous parts and tools.			
Project No. From 1999 Report: MC-1			

2001- MC-2

Project: Facilities Use Agreement			
Command	DMA(s)	Private Entity	Partnership Type
MARCORSSYSCOM	Marine Corps Logistics Bases	United Defense Limited Partnership (UDLP)	Lease
Authority:	Value:	Period of Performance:	
FAR Subpart 45.3	\$ 0	Start Date: Apr 99	End Date: Dec 02
Description of Partnership: A Facilities Use Agreement was initiated between UDLP and Marine Corps Logistics Bases that allows UDLP to occupy and use a warehouse facility within the Marine Corps Logistics Bases to modify AAV hulls pursuant to Contract Number M67854-98-C-2075 that was awarded by the Marine Corps Systems Command for the AAV RAM/RS. As provided in FAR 52.245-9(a), the contractor shall have no obligation to pay any rent to the Government. The Government shall make available to the contractor, on a reimbursable basis, the utilities and services that provide water, sewage, emergency services, electricity, refuse collection, hazardous waste disposal, natural gas, and miscellaneous and building maintenance.			
Project No. From 1999 Report: MC-2			

Air Force

Air Force projects begin numbering with project AF-5, as the first four projects noted in the 1999 partnering report were not reported.

2001- AF-5

Project: Low Altitude Navigation and Targeting Infrared for Night (LANTIRN) – Phase I			
Command	DMA(s)	Private Entity	Partnership Type
Air Force Materiel Command (AFMC)	WR-ALC	Lockheed Martin Electronics and Missiles (LMEM), Orlando, FL	Lease
Authority:	Value:	Period of Performance:	
FAR Subpart 45.3	\$ 6.2 K (Total 5-year value) \$ 1.2 K per annum	Start Date: Dec 97	End Date: Dec 03
Description of Partnership: LANTIRN Phase-I was the award of Line Replaceable Unit (LRU) component repair to LMEM. This is a basic contract with 5-one-year options for repair of LRU's quantities above those currently repaired organically at the WR-ALC LANTIRN depot. This award also includes a lease of facilities within the WR-ALC organic LANTIRN depot. Benefits of this partnership include synergy created by the close proximity of the repair sources and associated communications, some sharing of equipment, and utilization of underutilized capacity at the WR-ALC depot. Additional benefits (e.g improved delivery times and lower costs) will be realized upon the successful completion of LANTIRN Phase-II. The lease cost per square foot (annually) is \$ 9.37 per sq. ft. and includes all utilities and other support costs. The lease is primarily in support of DoD LANTIRN systems.			
Project No. From 1999 Report: AF-5			

2001- AF-6

Project: C-130 Integrated Weapon System Support Program (IWSSP)			
Command	DMA(s)	Private Entity	Partnership Type
AFMC	WR-ALC	The Boeing Company, Ft. Walton Beach, FL	Government Furnished Resources
Authority:	Value:	Period of Performance:	
FAR Subpart 45.3 with MOA	\$ 0	Start Date: Oct 98	End Date: Sep 03
Description of Partnership: As proposed, WR-ALC would provide support, under an innovative Government Furnished Supplies/Services (GFSS) approach, for Special Operations Forces C-130U Aircraft in support of the Total Systems Support Requirements (TSSR) contract between the Air Force and Boeing. Initially proposed was depot software integration support of the AN/ALR-69 system integration for the AC-130U aircraft. Due to funding shortfalls and other reasons, WR-ALC has not yet performed any specific tasks under this partnership. The contract is still active and WR-ALC may be called upon to provide goods or services (as GFSS) to Boeing during the life of the TSSR contract. The MOA is between Boeing and WR-ALC. It establishes an innovative GFSS approach for providing depot-produced goods and/or services to the contractor via the Government prime TSSR contract. This is a generic agreement that makes arrangements for the depot and contractor to work together to determine future workload contents and methods. To date, no specific work for the depot has been realized under this partnership. The possibility exists for future depot work under this agreement for the life of the IWSSP prime contract.			
Project No. From 1999 Report: AF-6			

2001- AF-7

Project: Sacramento Air Logistics Center Depot Maintenance Competition for KC135 Programmed Depot Maintenance (PDM) and A-10 Aircraft PDM and Commodities (hydraulics, electrical accessories and instruments)			
Command	DMA(s)	Private Entity	Partnership Type
AFMC	OO-ALC	Boeing Corporation	Teaming
Authority:	Value:	Period of Performance:	
10 USC 2469a	\$ 1.6B	Start Date: Apr 99	End Date: Apr 07
Description of Partnership: As a result of the Sacramento Air Logistics Center Depot Maintenance Competition for KC135 PDM and A-10 Aircraft PDM and Commodities (hydraulics, electrical accessories and instruments), Ogden Air Logistics Center and Boeing Corporation were awarded the workload and both entered into the contract as a teaming relationship. The Boeing Corporation is responsible for all work associated with PDM of the KC135 Aircraft. Ogden Air Logistics Center is responsible for all work associated with PDM of the A-10 Aircraft and the commodities portion which includes hydraulics, electrical accessories and instruments. The total value of the contract is \$1.6B (estimated over 9-year period) with an average annual value of \$150M. The remaining value is government furnished material.			
Project No. From 1999 Report: AF-7			

2001- AF-8

Project: Propulsion Business Area (PBA)			
Command	DMA(s)	Private Entity	Partnership Type
AFMC	OC-ALC	Lockheed Martin Kelly Aviation Center (LMKAC)	Teaming
Authority:	Value:	Period of Performance:	
10 USC 2469a	\$ 2.9 B (Estimate for 15 Year Period)	Start Date: Feb 99	End Date: Feb 14 (If all Award Term Periods awarded, 15 Year Maximum)
Description of Partnership: OC-ALC has overall responsibility for performance on PBA. The PBA workload is for repair and maintenance of the F100, T56, and TF39 engines, airframe fuel accessories, and two-level maintenance (2LM) for T56 and TF39 Engines. The OC-ALC portion of maintenance/repair workload is for the F100 engine and airframe fuel accessories. LMKAC is responsible for T56 and TF39 engines including 2LM and related accessories. The partnership operates under contract F34601-99-D-0002			
Project No. From 1999 Report: AF-8			

2001- AF-9

Project: B-2 Composite Manufacture and Repairs			
Command	DMA(s)	Private Entity	Partnership Type
AFMC	OO-ALC	Northrup Grumman	Workshare
Authority:	Value:	Period of Performance:	
BOSA	\$ 6.3M	Start Date: Oct 98	End Date: Ongoing
Description of Partnership: Northrup Grumman provides additional engineering and technical support for advance composite and low observable processes. Ogden Air Logistics Center is responsible for all work associated with manufacture and/or repair of B-2 composite and low observable components. Both parties entered into a Base Operating Support Agreement (BOSA). The average annual value for OO-ALC is \$6.3M			
Project No. From 1999 Report: AF-9			

2001- AF-10

Project: B-2 Defensive Management System Tools Program Set (DMSTPS)			
Command	DMA(s)	Private Entity	Partnership Type
AFMC	OC-ALC	Northrop Grumman	Workshare
Authority:	Value:	Period of Performance:	
MOA	\$ 2.6 M Annually	Start Date: Mar 00	End Date: Ongoing
<p>Description of Partnership: OC-ALC/LAS provides engineering support including, but not limited to: software problem analysis and software change implementation, integration, and test.</p> <p>Northrop Grumman provides engineering support including, but not limited to: software problem analysis and software change implementation, integration, and test. Northrop Grumman also provides product and requirements management as well as computer system admin and configuration management functions.</p> <p>The partnership operates under a Memorandum of Agreement (MOA (B2-DMT-MOA-001)).</p>			
Project No. From 1999 Report: AF-10			

2001- AF-17

Project: C-17 Analytical Condition Inspection (ACI)			
Command	DMA(s)	Private Entity	Partnership Type
AFMC	WR-ALC	The Boeing Company, Long Beach, CA	Sale of Services
Authority:	Value:	Period of Performance:	
10 USC 2563	\$ 1.0 M	Start Date: Oct 99	End Date: Sep 00
<p>Description of Partnership: The Depot Maintenance Activity Group (DMAG) at WR-ALC negotiated a Direct Sales Agreement (DSA) under 10 USC 2563 with The Boeing Company for C-17 Analytical Condition Inspection (ACI). Mechanisms to implement this partnership included a Direct Sales Agreement between DMAG and Boeing and a Memorandum Of Understanding (MOU) between C-17 Systems Program Office and the WR-ALC Depot regarding depot capability stand-up, etc.</p> <p>In this partnership WR-ALC identified hidden defects, deteriorating conditions, corrosion, fatigue, overstress, and other conditions that affect the structure of the C-17 aircraft. The FY00 requirement was for 3 Aircraft ACIs—follow on requirements (e.g. FY 01 and beyond) are anticipated. The FY00 partnership was a success, all three FY00 Aircraft were completed on or ahead of schedule, within estimated budget, and with no quality defects.</p> <p>Boeing and WR-ALC are currently in negotiations for FY01 ACI requirements. (Each subsequent year to be negotiated separately.) FY 01 proposed value is approximately \$1.7 million. Subsequent dollar values will vary depending on content of ACI requirements package.</p>			
Project No. From 1999 Report: AF-17			

2001- AF-19

Project: Common Configuration Implementation Program (CCIP), Air-to-Air Interrogator System, F-16 Block 50/52 Aircraft

Command	DMA(s)	Private Entity	<u>Partnership Type</u>
AFMC	OO-ALC	Lockheed-Martin Aeronautics	Workshare
Authority:	Value:	Period of Performance:	
MOA	\$ 1.9M	Start Date: Apr 01	End Date: Jul 01

Description of Partnership:

Lockheed Martin Aeronautics is responsible for the engineering proof and trial verification installation and some participation in kit proof. Ogden Air Logistics Center is responsible for kit proofing. Ogden Air Logistics Center and Lockheed Martin are both parties on a Memorandum of Agreement for this workload. Value for OO-ALC is \$1.9M.

Project No. From 1999 Report: N/A

2001- AF-20

Project: JSTARS Total Systems Support Responsibility (TSSR) Partnership			
Command	DMA(s)	Private Entity	Partnership Type
AFMC	WR-ALC	Northrop Grumman Corporation, Melbourne, FL	Government Furnished Resources
Authority:	Value:	Period of Performance:	
FAR 45.3 with MOA	\$ 91.8M (FY01-FY06 estimate)	Start Date: Sep 00	End Date: Annual renewal periods through 2022
<p>Description of Partnership:</p> <p>Northrop Grumman Corporation (NGC) is the prime contractor under a sole-source TSSR contract for the sustainment of JSTARS for a maximum contract period of 22 years. The WR-ALC depot performs core workloads (repair of prime mission equipment and system software maintenance) and other workloads (ground support software maintenance and various backshop functions) under an innovative (Government-Furnished Supplies/Services) partnership with NGC. WR-ALC delivers goods and services directly to NGC in support of the NGC's TSSR activities. The contractor determines the depot's work requirements and provides sustaining engineering and other support functions to the depot to facilitate the depot's accomplishment of the work.</p> <p>Several agreements are in place to implement this partnership:</p> <p>The Long-Range Memorandum of Agreement (LRMOA) document is between all partners—the JSTARS Joint Program Office, NGC, and the WR-ALC depot. The LRMOA provides the overarching goals and objectives of each of the parties and documents the top-level commitments to negotiate subsequent agreements in concert with these goals and objectives. The LRMOA is to be reviewed and updated semi-annually.</p> <p>The Partnering Agreement (PA) between NGC and the WR-ALC depot—with coordination by the JSTARS Joint Program Office, provides the general terms and conditions by which all depot-performed workloads will be accomplished and outlines the general responsibilities of the parties for performance of the workloads. Specific legal issues (e.g. disputes resolution, warranties, assignments, legal remedies, funding processes, etc.) are addressed by the PA. The PA has been incorporated into the prime TSSR contract as the guiding basis for the Air Force providing the depot-performed workloads to the contractor. NGC is in general control of the funding, although funds are actually transferred from the Government buying activity to the depot.</p> <p>The Implementation Agreements (IAs) are between NGC and the WR-ALC depot. These documents provide specific details for each major category of work being performed by the depot in support of the TSSR prime contract. The IAs are structured similar to a contract order containing line item pricing, work descriptions, delivery times, Statements of Work, and other information and commitments pertinent to each specific workload. IAs also include budgetary dollar estimates for the following 5 years of requirements.</p>			
Project No. From 1999 Report: N/A			

Detailed Description of Principal Authorities used in Partnering Arrangements

Partnering arrangements typically cite one or more authorities, although many are workshare arrangements established with an MOA or similar agreement. The principal statutory, regulatory and public law authorities include:

10 USC 2208(j)

10 USC 2208(j) permits working capital funds to sell articles or services outside the DoD if the purchaser is fulfilling a DoD contract and the contract is awarded pursuant to a public-private competition. 10 USC 2208(j) includes “engineering” as services to be sold; and requires that the contract and the solicitation for the contract or subcontract is open to public-private competition. 10 USC 2208(j) also allows the Secretary of a military department to sell articles and services under the conditions above **or** if the sales would advance the objectives set forth in 10 USC 2474(b)(2). 10 USC 2208(j) has been in place since 1991 and amended by the FY2000 National Defense Authorization Act (NDAA) (PL 106-65) and the FY2001 NDAA (PL 106-398).

10 USC 2469a

10 USC 2469a requires competitive procedures in contracting for depot level maintenance and repair workloads formerly performed at depot maintenance activities identified for base closure or realignment. It also authorizes competition among public and private sector offerers and public-private teaming in regard to those workloads. Specifically, 10 USC 2469a (d) (4) states that any offeror, whether public or private, may offer to perform the workload at any location or locations selected by the offeror and to team with any other public or private entity to perform that workload at one or more locations, including a Center of Industrial and Technical Excellence (CITE) designated under 10 USC 2474. The FY98 NDAA created this section.

10 USC 2471

The FY2001 NDAA (PL 106-398) repealed this section of 10 USC. The authorities of 10 USC 2471 are now incorporated in 10 USC 2474.

10 USC 2474

The FY98 NDAA created 10 USC 2474 and it was amended by the FY2001 NDAA (section 341). 10 USC 2474 requires the Secretary of a military department to designate each depot-level activity of the military departments as a Center of Industrial and Technical Excellence (CITE) in the recognized core competencies of the depot-level activity (depots). It permits receipts from public-private partnerships to be credited to depots’ accounts. The Secretary designating a CITE may authorize and encourage the head of the Center to enter into public-private partnerships with its own employees, private industry, or other entities to perform work **related** to core competencies, and allow private industry to use facilities and equipment of a CITE that are not fully utilized. The objectives for exercising the authority are:

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- To maximize the utilization of the capacity of a CITE.
- To reduce or eliminate the cost of ownership of a CITE by the DoD in such areas of responsibility as operations and maintenance and environmental remediation.
- To reduce the cost of products of the DoD produced or maintained at a CITE.
- To leverage private sector investment in--such efforts as plant and equipment recapitalization for a CITE; and the promotion of the undertaking of commercial business ventures at a CITE.
- To foster cooperation between the armed forces and private industry.

Any facilities or equipment of a CITE made available to private industry may be used to perform maintenance or to produce goods in order to make more efficient and economical use of Government-owned industrial plants and encourage the creation and preservation of jobs to ensure the availability of a workforce with the necessary manufacturing and maintenance skills to meet the needs of the armed forces.

Equipment or facilities of a CITE may be made available for use by a private-sector entity only if the use of the equipment or facilities will not have a significant adverse effect on the readiness of the armed forces, as determined by the Secretary concerned and the private-sector entity agrees to reimburse the DoD for the direct and indirect costs (including any rental costs) that are attributable to the entity's use of the equipment or facilities, as determined by that Secretary; and to hold harmless and indemnify the United States from any claim for damages or injury to any person or property arising out of the use of the equipment or facilities, except in a case of willful conduct or gross negligence; and any liability or claim for damages or injury to any person or property arising out of a decision by the Secretary concerned to suspend or terminate that use of equipment or facilities during a war or national emergency.

Amounts received for work performed under public-private partnerships shall be credited to the appropriation, including working capital funds (WCFs), that incurs the cost of performing the work. 10 USC 2474 incorporates the essential elements of repealed 10 USC 2471, which allows for leasing of facilities and equipment.

10 USC 2563 (Formerly 10 USC 2553)

PL 106-398 (subsection 1033(b)(1)) redesignated 10 USC 2541 through 2554 of Chapter 152, as 10 USC 2551 through 2564, respectively.

10 USC 2563 allows the SECDEF to sell articles or Services outside the DoD under conditions similar to those set forth in 10 USC 4543, and permits the SECDEF to designate DoD industrial facilities, other than Army facilities governed by 10 USC 4543, as the facilities from which articles and services manufactured or performed by such facilities may be sold. Proceeds are to be credited to the funds incurring the costs of manufacture or performance. 10 USC 2563 provides the SECDEF with a waiver authority for the requirement that sales of articles or services must not be commercially available in the United States. The waiver is available if the waiver is necessary for reasons of national security. Congressional notification of the reasons for the waiver is required on each particular sale. The term “not available” means the article or service is “unavailable from a commercial source in the required quantity and quality or within

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the time required.” This authority has been in place since 1994 and the waiver authority was included in 1999.

10 USC 2667

This authority allows leasing of non-excess real or personal property (property as defined by section 3 of the Federal Property and Administrative Services Act of 1949 (40 USC 472)) of a DoD activity that is under the control of that department to a person outside DoD. There is no restriction in 10 USC 2667 that a lease may be entered into if the property was not for the time needed for public use. The proceeds may be used by the leasing military department. Secretaries of military departments may lease upon such terms as he considers will promote the national defense or be in the public interest, real or personal property that is under the control of that department; not for the time needed for public use; and not excess property. A lease under subsection may not be for more than five years, unless the Secretary concerned determines that a lease for a longer period will promote the national defense or be in the public interest.

10 USC 2667 allows for in-kind consideration to be accepted at any property or facilities under the control of the Secretary concerned that are selected for that purpose by the Secretary concerned. A lease under 10 USC 2667 may provide for the alteration, repair, or improvement by the lessee, of the property leased as the payment of part or all of the consideration for the lease (notwithstanding section 321 of the Act of June 30, 1932 (40 USC 303b), or any other provision of law). 10 USC 2667 includes, in addition to alteration, repair, or improvement, that in-kind consideration (with respect to a lease under 10 USC 2667) may include the following:

- Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities under the control of the Secretary concerned.
- Construction of new facilities for the Secretary concerned.
- Provision of facilities for use by the Secretary concerned.
- Facilities operation support for the Secretary concerned.
- Provision of such other services relating to activities that will occur on the leased property as the Secretary concerned considers appropriate.

It may be more advantageous to the depot to accept in-kind consideration rather than money in payment for a lease. The proceeds from a lease under 10 USC 2667 are to be treated as follows.

After crediting the appropriation account or working capital fund from which the cost of utilities and services furnished to lessees pursuant to leases, remaining monies from payment of leases are deposited in a special account in the Treasury established for such military department, but there are limitations on the use of the monies. Remaining funds provided in payment for leases shall be deposited in a special account of a Military Department and made available to the Secretary of that department for the following activities:

- Maintenance, protection, alteration, repair, improvement, or restoration (including environmental restoration) of property or facilities.
- Construction or acquisition of new facilities.
- Lease of facilities.

Appendix A

- Facilities operation support.

The Secretary of the military department must make available to the military installation where the proceeds were derived at least 50 percent of the proceeds deposited from that installation for activities noted above. However, allotment to other activities of any funds not made available to the leasing depot is at the discretion of the Secretary.

10 USC. 4543

Beginning in 1993, working-capital funded Army industrial facilities (including a Department of the Army arsenal) that manufacture large caliber cannons, gun mounts, recoil mechanisms, ammunition, munitions, or components thereof were authorized to sell manufactured articles or services to a person outside the Department of Defense.

The statute provides this authority for specified purposes and under certain conditions. In the case of an article, it may be sold to a person outside the DoD if the article is sold to a United States manufacturer, assembler, developer, or other concern for use in developing new products; for incorporation into items to be sold to, or to be used in a contract with, an agency of the United States; for incorporation into items to be sold to, or to be used in a contract with, or to be used for purposes of soliciting a contract with, a friendly foreign government; or for use in commercial products. Also for sale of articles, the purchaser is determined by the Department of Defense to be qualified to carry out the proposed work involving the article to be purchased.

In the case of sale of services, the services are related to an article authorized to be sold under 10 USC 4543 and are to be performed in the United States for the purchaser.

Sales are to be made on a basis that does not interfere with performance of work by the facility for the Department of Defense or for a contractor of the Department of Defense. Further, the Secretary of the Army is to determine that the articles or services are not available from a commercial source located in the United States. The purchaser of an article or service must agree to hold harmless and indemnify the United States, except in a case of willful misconduct or gross negligence, from any claim for damages or injury to any person or property arising out of the article or service. The statute requires that the article to be sold can be manufactured, or the service to be sold can be substantially performed, by the industrial facility with only incidental subcontracting; it is in the public interest to manufacture such article or perform such service; and the sale will not interfere with performance of the military mission of the industrial facility.

There are additional requirements associated with statute dealing with the level of exercising the authority, funding of payment, charges to the purchaser, contract types, developing and maintaining working capital, and compliance with the Arms Export Control Act.

The proceeds are to be credited to the funds incurring the costs of manufacture or performance.

10 USC 7300

The conditions set forth in 10 USC 2208(j)(1)(B) and 10 USC 2563(a)(1) and 10 USC 2563(c)(1)(A) shall not apply to a sale by a naval shipyard of articles or services to a private shipyard that is made at the request of the private shipyard in order to facilitate the private shipyard's fulfillment of a Department of Defense contract with respect to a nuclear ship. This section does not authorize a naval shipyard to construct a nuclear ship for the private shipyard, to perform a majority of the work called for in a contract with a private entity, or to provide articles or services not requested by the private shipyard.

22 USC 2754

This 1968 authority allows defense articles and defense services to be sold or leased by the United States Government under chapter 39 of 22 USC to friendly countries and with certain conditions. Those conditions state that defense articles and defense services shall be sold or leased by the United States Government to friendly countries solely:

- for internal security,
- for legitimate self-defense,
- to permit the recipient country to participate in regional or collective arrangements, measures, and requests of the United Nations or its charter.

Defense articles and services may also be sold or leased to friendly countries or for the purpose of enabling foreign military forces in less developed friendly countries to construct public works and to engage in other activities helpful to the economic and social development. The statute provides the sense of the Congress that such foreign military forces should not be maintained or established solely for civic action activities and that such civic action activities not significantly detract from the capability of the military forces to perform their military missions and be coordinated with and form part of the total economic and social development effort. The statute also provides that none of the funds contained in this authorization shall be used to guarantee, or extend credit, or participate in an extension of credit in connection with any sale of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, to any underdeveloped country, other than several specifically-mentioned countries, unless the President determines that such financing is important to the national security of the United States and reports within thirty days each such determination to the Congress.

FAR, Subpart 45.3

This portion of the FAR establishes the conditions and limitations for providing equipment, material and facilities to a contractor or subcontractor. "Facilities," as used in this subpart and when used in other than a facilities contract, means property used for production, maintenance, research, development, or testing. It includes plant equipment and real property. It does not include material, special test equipment, special tooling, or agency-peculiar property. "Material," as used in this subpart, means property that may be incorporated into or attached to a deliverable end item or that may be consumed or expended in performing a contract. It includes assemblies, components, parts, raw and processed materials, and small tools and supplies that

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may be consumed in normal use in performing a contract. "Facilities contract," as used in this subpart, means a contract under which Government facilities are provided to a contractor or subcontractor by the Government for use in connection with performing one or more related contracts for supplies or services. It is used occasionally to provide special tooling or special test equipment. Facilities contracts may take any of the following forms:

- A facilities acquisition contract providing for the acquisition, construction, and installation of facilities.
- A facilities use contract providing for the use, maintenance, accountability, and disposition of facilities.
- A consolidated facilities contract, which is a combination of a facilities acquisition and a facilities use contract.

Public Law 103-337

In 1994, the SECDEF was directed to encourage commercial firms to enter into "partnerships" with depot-level activities of the military departments for the purposes of:

- demonstrating commercial uses of the depot-level activities that are related to the principal mission of the depot-level activities;
- preserving employment and skills of employees currently employed by the depot-level activities or providing for the reemployment and retraining of employees who, as the result of the closure, realignment, or reduced in-house workload of such activities, may become unemployed; and
- supporting the goals of other defense conversion, reinvestment, and transition assistance programs while also allowing the depot-level activities to remain in operation to continue to perform their defense readiness mission.

Under this public law the SECDEF is to ensure that activities conducted under this section do not interfere with the closure or realignment of a depot-level activity of the military departments under a base closure law; and do not adversely affect the readiness or primary mission of a participating depot-level activity.

Appendix B

Acronyms and Abbreviations

- A -

AAMSI	Associated Aircraft Manufacturing and Sales, Inc.
AAV	Amphibious Assault Vehicle
ACI	Analytical Condition Inspection
ACUS	Area Common User System
AFMC	Air Force Materiel Command
AIM	Abrams Integrated Management
ALC	Air Logistics Center
AMCOM	US Army Aviation and Missile Command
ANAD	Anniston Army Depot
APU	Auxiliary Power Unit

- B -

BFIST	Bradley Fire Support Team
BOSA	Base Operating Support Agreement

- C -

CC	Container Crane
CCAD	Corpus Christi Army Depot
CCIP	Common Configuration Implementation Program
C-E	Communications – Electronics
CECOM	US Army Communications-Electronics Command
CITE	Center of Industrial and Technical Excellence
CP	Naval Air Depot Cherry Point
CSA	Commercial Service Agreement
CVN MS/MO	Multi-purpose Aircraft Carrier (nuclear) Maintenance Services/Maintenance Operations

- D -

DD	Drydock
DMA	Depot-level Maintenance Activity
DMAG	Depot Maintenance Activity Group
DMBP	Defense Maintenance Business Profile
DMSTPS	Defensive Management System Tools Program Set
DoD	Department of Defense
DSA	Direct Sales Agreement
DUSD(L&MR)	Deputy Under Secretary of Defense for Logistics and Material Readiness
DVD	Direct Vendor Delivery

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- E -

EPS	Engineering Professional Services, Inc.
EDSRA	Extended Drydock Selected Restricted Availability
EWK	Eisenwerke Kaiserlauten

- F -

FAR	Federal Acquisition Regulation
FMS	Foreign Military Sales
FOV	Family of Vehicles
FY	Fiscal Year

- G -

GCE	Ground Communications-Electronics
GDLS	General Dynamics Land Systems
GE	General Electric
GEES	General Electric Engine Services
GFE	Government Furnished Equipment
GFM	Government Furnished Material
GFSS	Government Furnished Supplies/Services
GPS	Gunners Primary Sight
GTE	Gas Turbine Engine

- H -

HEMTT	Heavy Expanded Mobility Tactical Truck
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- I -

IA	Implementation Agreement
IRB	Improved Ribbon Bridge
ISSA	Inter-service Support Agreement (Army)
IWSSP	Integrated Weapon System Support Program

- J -

JAX	Naval Air Depot Jacksonville
JG-DM	Joint Group on Depot Maintenance
JSTARS	Joint Surveillance Target Attack Radar System

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- L -

LANTIRN	Low Altitude Navigation and Targeting Infrared for Night
LEAD	Letterkenny Army Depot
LLC	Limited Liability Company
LMEM	Lockheed Martin Electronics and Missiles
LMKAC	Lockheed Martin Kelly Aviation Center
LRC	Logistics and Readiness Center
LRMOA	Long-Range Memorandum of Agreement
LRU	Line Replaceable Unit
LSI	Lear Siegler Incorporated

- M -

MARCORPSYSCOM	United States Marine Corps Systems Command
MCLB	Marine Corps Logistics Bases
MLRS	Multiple Launch Rocket System
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding

- N -

NADEP	Naval Air Depot
NAVAIR	Naval Air Systems Command
NAVFAC	Naval Facilities Command
NAVICP	Naval Inventory Control Point
NAVSEA	Naval Sea Systems Command
NAVSUP	Naval Supply Systems Command
NBC	Nuclear Biological Chemical
NDAA	National Defense Authorization Act
NGC	Northrop Grumman Corporation
NI	Naval Air Depot North Island
NNS	Newport News Shipbuilding
NNSY	Norfolk Naval Shipyard
NORIS	Naval Air Depot North Island
NSWC	Naval Surface Warfare Center
NSWCC	Naval Surface Warfare Center, Crane Division
NSY	Naval Shipyard
NUWC	Naval Undersea Warfare Center
NUWCK	Naval Undersea Warfare Center Division, Keyport

Appendix B

- O -

OC-ALC	Oklahoma City Air Logistics Center
ODS	Operation Desert Storm
OEM	Original Equipment Manufacturer
OO-ALC	Ogden Air Logistics Center
OTC	Oshkosh Truck Corporation

- P -

PA	Partnering Agreement
PBA	Propulsion Business Area
PBL	Performance-Based Logistics
PDM	Programmed Depot Maintenance
PHNSY & IMF	Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility
PM	Program Manager
PROSE	Partnership for Reduced Operation and Support Cost Engine
PSNSY	Puget Sound Naval Shipyard
PS&P	Puget Sound and Pacific Railway
PTNSY	Portsmouth Naval Shipyard

- R -

R ² CSR	Rapid Response to Critical System Requirements
RAM/RS	Reliability and Maintainability – Rebuild to Standard
RRAD	Red River Army Depot

- S -

SA-ALC	San Antonio Air Logistics Center
SAC	Sikorsky Aircraft Corporation
SECDEF	Secretary of Defense
SEI	Systems Electronics, Inc.
SLEP	Service Life Extension Program
SM-ALC	Sacramento Air Logistics Center
SPAWAR	Space and Naval Warfare Systems Command
SYSCOM	A Navy hardware system command (i.e., NAVAIR, NAVSEA, SPAWAR)
SUPSHIP PS	Supervisor of Shipbuilding, Conversion and Repair Puget Sound

- T -

TACOM	US Army Tank-automotive and Armaments Command
TSSR	Total Systems Support Responsibility
TYAD	Tobyhanna Army Depot

Appendix B

- U -

UDLP	United Defense Limited Partnership
USAF	United States Air Force
USC	United States Code
USMC	United States Marine Corps

- W -

WR-ALC	Warner Robins Air Logistics Center
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